

§ 1856. Disbursement of the Proceeds from the Lease-Revenue Bond Funds.

- (a) No state moneys shall be encumbered in contracts let by a participating county until construction document plans and specifications have been approved by the Authority pursuant to Section 1849 and subsequent construction bids have been received.
- (b) Upon approval of the participating county's proposal by the Authority and execution of the project delivery and construction agreement, a payment schedule will be established by the Authority.
- (c) Proceeds of lease-revenue bonds can only be used for activities that occur after the date of the conditional award for state bond funds.
- (d) Requests for payments from the proceeds of lease-revenue bonds shall include such supporting documentation as may be required by the Board and/or the Authority and, in the event of deficiencies in the request, the participating county shall be notified by the Authority of the deficiencies as soon as practicable.
- (e) Payments from the proceeds of lease-revenue bonds shall be processed by the Authority subject to the following conditions:
 - (1) Payment shall be made in arrears (reimbursement) on a quarterly basis through invoicing;
 - (2) No payments will be made until the participating county has complied with all applicable state requirements; and,
 - (3) At such time as the balance from the proceeds of lease-revenue bonds to the participating county reaches ~~twenty-five~~ percent (~~205~~%), the Authority shall withhold that amount as security, to be released to the participating county upon compliance with all of the terms in the project delivery and construction agreement and conditions and requirements of law and regulation, including staffing and operating the facility within ninety (90) days of construction completion, receipt and approval of the final project audit report, and final construction inspection and approval by appropriate officials.